

**PROPOSITION 76 IS ONE OF THE CRITICAL REFORMS WE NEED TO CLEAN UP THE MESS IN SACRAMENTO!**

**YES on Prop. 76: Control State Spending**

California's budget system is broken. We have record deficits, unbalanced budgets and out-of-control spending.

The politicians can't say "no" to more spending. Since 1999-2000, the state has increased spending by twice as much as it has increased its revenue.

**"California faces a budget crisis that needs to be resolved this year. The Governor's reforms...can go a long way toward establishing and maintaining fiscal responsibility in the state." Contra Costa Times, April 3, 2005**

**Budget experts project next year's budget deficit at \$6 billion and annual deficits after that of \$4-\$5 billion. At that pace, the State will accumulate \$22 to \$26 billion in deficits over the next five fiscal years.**

The choice is simple: **Pass Prop. 76 or face higher taxes such as the car tax, income tax, sales tax and even property taxes.**

**PROP. 76 IS THE BI-PARTISAN SOLUTION THAT FORCES THE STATE TO LIVE WITHIN ITS MEANS:**

- **Limits spending** to the average rate of tax growth of the past three years, so we don't overspend in good times followed by huge deficits in bad times.
- **Establishes "checks and balances"** to encourage the Governor and Legislature to work together.

When tax revenue slows, the Legislature can cut wasteful spending to balance the budget. If the Legislature doesn't act, the Governor can then cut wasteful spending, while protecting funding for education, public safety and roads.

- **Stabilizes K-14 education spending. By cutting wasteful spending and balancing the budget, we'll have more funds to spend on what the state needs, without raising taxes.**
- **Stops the auto-pilot spending binge and holds the politicians accountable.**
- **Guarantees that taxes dedicated for highways and roads are spent on those projects and never again raided to balance the budget.**

**SUBJECT TO COURT  
ORDERED CHANGES**

**Unfortunately, Opponents of Prop. 76 Don't Want Reform:**

- They think deficits and gridlock are just fine in Sacramento.
- They will stop at nothing to defeat Prop. 76 and have spent millions for television ads to confuse voters.
- They use scare tactics, inaccurate statements and outright deceit, like their claims that it will cut funds for law enforcement. It's not true.

**"Prop. 76 requires repayment of previously borrowed funds so we can build new roads and repair existing roads and it doesn't reduce dedicated tax spending on local law enforcement."**

**Alan Autry, Mayor of Fresno**

**"YES" on Prop. 76:**

- Balance our budget without raising taxes.
- Promote bi-partisan cooperation between the Legislature and the Governor.
- Eliminate wasteful spending and provide more money for roads, health care, law enforcement and other important programs without raising taxes.

**PLEASE VOTE "YES ON PROP. 76" -- TO CLEAN UP THE BUDGET MESS IN SACRAMENTO.**

Governor Arnold Schwarzenegger

Tom Campbell  
Director, California Department of Finance

Sandra L. McBrayer  
Former National Teacher of the Year

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